



DEMOCRATIC ★  
SENATORIAL ★  
CAMPAIGN ★  
COMMITTEE ★

Patty Murray, WA  
Chair

Bill Nelson, FL  
Vice Chair

Thomas A. Daschle, SD  
Democratic Leader

LEADER'S FINANCE COUNCIL

MAJORITY IN THE 111TH CONGRESS  
Charles Schumer, NY  
Dianne Feinstein, CA

BOARD OF TRUSTEES  
Julius D. Rockefeller, WV  
Robert C. Torricelli, NJ  
Joseph Lieberman, CT  
Honorary Chair

MAJORITY TRUST  
John Breaux, LA  
Jon Corzine, NJ

LEADERSHIP CIRCLE  
Blanche L. Lincoln, AR  
Tom Carper, DE

BUSINESS ROUND TABLE  
Jack Reed, RI  
Ben Nelson, NE

LABOR COUNCIL  
Edward M. Kennedy, MA  
Mark Dayton, MN

JOINT COUNCIL  
Harry Reid, NV  
John Edwards, NC

HIGH TECHNOLOGY COUNCIL  
Patrick Leahy, VT  
Jeff Hingaenka, NM  
Ron Wyden, OR

WOMEN ON THE ROAD  
Debbie Stabenow, MI  
Chair

Barbara Mikulski, MD  
Co-Chair

NATIVE AMERICAN COUNCIL  
Daniel Inouye, HI  
Tim Johnson, SD

Ms. Angel L. Williamson  
Reports Analyst  
Reports Analysis Division  
Federal Election Commission  
999 E Street, N.W.  
Washington, DC 20463

Reference: Amended 30 Day Post-General Report (10/19/00-11/2700)  
Democratic Senatorial Campaign Committee  
(ID No. C00042366)

Dear Ms. Williamson:

We write to respond to your letter dated August 1, 2001, regarding the Amended 30 Day Post-General Report filed by the Democratic Senatorial Campaign Committee ("DSCC"). The DSCC contends that it has properly disclosed the transaction discussed in your letter, and believes this contention to be supported by a review of the specific law and facts involved.

On October 19, 2000, the DSCC made a donation of \$195,000 to the nonfederal account of the Congressional Black Caucus PAC. The DSCC made this donation to be used at the recipient's sole discretion, and expressed no view as to how the funds should be spent.

Earlier in 2000, the Commission had informed political committees, including the DSCC, that they would violate the Act if they "failed to allocate, between their federal and nonfederal accounts, payments made to outside organizations to conduct generic voter drives." See Allocating Expenses for Generic Voter Drives Conducted by Third Parties, FEC Record, March 2000, at 2. The Commission's statement followed the judgment of the United States District Court for the Eastern District of

FEC MAIL ROOM

2001 AUG 14 AM 10:15

SECRETARY OF THE SENATE

01 AUG 15 AM 11:02

August 13, 2001

430 South Capitol St.,

Washington, DC 20003

Phone: (202) 224-2444

Fax: (202) 435-3120

Internet: info@fedelec.org

Angel L. Williamson  
August 13, 2001  
Page 2

SECRETARY OF THE SENATE  
01 AUG 15 AM 11:03

California in FEC v. California Democratic Party, and the conciliation of MUR 3774 with the National Republican Senatorial Committee.

As noted above, the DSCC did not designate its donation for any specific purpose. Nonetheless, it chose from an abundance of caution to allocate the donation between its federal and nonfederal account. Rather than give entirely from its nonfederal account, as it could have done, the DSCC sought to avoid any question of its compliance with the Commission's new policy. The DSCC's initial description of the expense on its original 30 Day Post-General Report as "voter turnout" reflected only the DSCC's intent to comply with the new Commission policy, and did not reflect any preconceived purpose for the donation. The proper description of the expense is – and remains – "donation to nonfederal account."

In light of the Commission's new policy, it is not accurate to say that "contributions to nonfederal committees do not qualify as shared expenses." Indeed, this statement directly contradicts the Commission's explicit direction that committees must "allocate, between their federal and nonfederal accounts, payments made to outside organizations to conduct generic voter drives." See FEC Record, March 2000, at 2.

In fact, a committee such as the DSCC that engages in both federal and nonfederal activity would ordinarily make a donation to a nonfederal organization entirely from its nonfederal account. It was only the Commission's new policy, in the wake of the California Democratic Party case, that prompted the DSCC to deviate from this normal and appropriate practice, so that it might preclude any possible question as to whether it paid the expense properly. We can only assume that the absence of any specific reporting guidelines to implement the new Commission policy has contributed to the confusion in this instance.

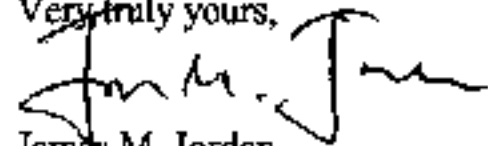
Finally, it is well settled that a committee such as the DSCC remains free to pay a greater share of an expense from its Federal account than required, should it choose for any reason to do so. Indeed, the Commission recently and expressly reaffirmed its longstanding view that, under the allocation regulations, a committee "is not precluded by the

Angel L. Williamson  
August 13, 2001  
Page 3

Commission regulations from paying for particular expenses with a higher percentage of Federal funds, or with only Federal funds." Advisory Opinion 2000-24.

We hope this fully resolves this matter. Please do not hesitate to contact us if you require any further information.

Very truly yours,

A handwritten signature in black ink, appearing to read "James M. Jordan", written over the typed name.

James M. Jordan  
Treasurer



FEDERAL ELECTION COMMISSION  
WASHINGTON D.C. 20463

SECRETARY OF THE SENATE  
RQ2  
01 AUG 15 AM 11:03

James M. Jordan, Treasurer  
Democratic Senatorial Campaign Committee  
430 South Capitol Street, SE  
Washington, DC 20003

AUG 1 2001

Identification Number: C00042366

Reference: Amended 30 Day Post-General Report (10/19/00-11/27/00), dated 7/16/01

Dear Mr. Jordan:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

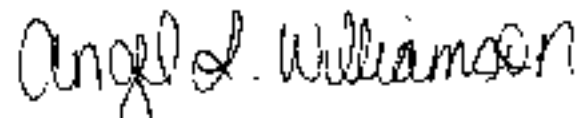
-In your letter of 7/16/01, you state that the H4 entry stating "voter turnout" should state "Donation to Non-federal Account." Please be advised that contributions to non-federal committees do not qualify as shared expenses to be allocated between your federal and non-federal accounts. Contributions to non-federal committees should be disclosed on Schedule B supporting Line 29 of the Detailed Summary Page. Any reimbursement from your committee's non-federal account for any portion of this contribution is not permissible. 11 CFR §102.5(a)(1)(i)

The Commission recommends that you immediately transfer the funds received by your federal account, as reimbursement for the non-federal portion, back to your non-federal account. Although the Commission may take further legal action concerning this prohibited activity, your prompt action will be taken into consideration.

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our

toll-free number, (800) 424-9530 (at the prompt press 1, then press 2 to reach the Reports Analysis Division). My local number is (202) 694-1130.

Sincerely,

A handwritten signature in black ink that reads "Angel L. Williamson". The signature is written in a cursive style with a large, stylized "A" and "W".

Angel L. Williamson  
Reports Analyst  
Reports Analysis Division

# United States Senate

OFFICE OF THE SECRETARY

OFFICE OF PUBLIC RECORDS

THE PRECEDING DOCUMENT WAS:

      HAND DELIVERED        
Date of Receipt

      FAX (48-HOUR NOTICES)        
Date of Receipt

      INSIDE MAIL        
Date of Receipt

      RECEIVED FROM THE LEGISLATIVE RESOURCE  
      CENTER        
Date of Receipt

☒ RECEIVED FROM THE FEDERAL ELECTION-  
COMMISSION 8/15/01  
Date of Receipt

      FIRST CLASS MAIL        
Postmarked

      REGISTERED/CERTIFIED MAIL        
Postmarked

      NO POSTMARK             POSTMARK ILLEGIBLE      

      OTHER (Specify):        
      AIRBORNE EXPRESS        
      EXPRESS MAIL        
      FEDERAL EXPRESS        
      UPS        
Postmark and/or Date of Receipt

      RD             8/15/01        
Preparer Date Prepared